

Date: September 25, 2024

To: Board of Directors

From: Sam Desue, Jr.

Subject: **RESOLUTION NO. 24-09-46 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A MODIFICATION OF THE MASS. ELECTRIC CONSTRUCTION COMPANY CONTRACT FOR CONSTRUCTION MANAGER/GENERAL CONTRACTOR SERVICES FOR THE PIONEER COURTHOUSE SQUARE TYPE 1 TRACTION POWER SUBSTATION REPLACEMENT PROJECT**

1. Purpose of Item

This Resolution requests that the TriMet Board of Directors (Board) authorize the General Manager to execute a modification (Modification) to the Construction Manager/General Contractor (CM/GC) services contract with Mass. Electric Construction Company (MEC) for the Pioneer Courthouse Square Type 1 Traction Power Substation (TPSS) Replacement Project (Project).

2. Type of Agenda Item

- Initial Contract
- Contract Modification
- Other _____

3. Type of Contract Procurement

- Low Bid / Invitation to Bid (ITB)
- Request for Proposals (RFP) (inc. CM/GC)
- Request for Qualifications (RFQ) (Personal Services)
- Other: Sole Source

4. Reason for Board Action

Board authorization is required for all Modifications causing contract amounts to exceed amounts previously authorized by the Board.

5. Type of Action

- Resolution
- Ordinance 1st Reading
- Ordinance 2nd Reading
- Other _____

6. Background

Twelve Type 1 Traction Power Substations (TPSS) were installed along the Blue Line in approximately 1983, and have reached the end of their normal expected service life. Many electrical and other critical components are obsolete and no longer

supported by the manufacturer. Therefore, all of these substations must be upgraded and/or replaced. This Resolution addresses the site-specific conditions of the Pioneer Courthouse Square Project only.

This Project will reconfigure the existing underground vault within the Pioneer Courthouse Square facility to improve TriMet’s access for maintenance personnel, improve the ventilation for future climate challenges, and allow for the installation of new and upgraded electrical substation equipment.

At its June 2024 meeting, the Board approved Resolution No. 24-06-36, which authorized a Construction Manager/General Contractor (CM/GC) services contract with Mass. Electric Construction Company (MEC) for the Project, including pre-construction services in an amount not to exceed \$295,096.

This Resolution authorizes advanced purchase of the long-lead items for the new traction power substation. Procuring the TPSS equipment early is critical to the Project’s overall success because it will establish the price of this specialized equipment and ensure that it arrives in time for installation on a schedule that will prevent disruptions and delays of the construction work.

There are very few manufacturers of this highly technical equipment, and most substation equipment components are long-lead time items. For example, the Alternating Current (AC) switchgear is specifically designed and manufactured to meet Pioneer Square’s height and space requirements, as well as the utility provider’s requirements. The time needed for the preparation of the design drawing for AC switchgear and its review and approval by the utility is typically twelve to fourteen weeks. After the component is released for production it will take another 38-40 weeks for TriMet to receive it.

The Transformer and Rectifier also are designed and manufactured to meet the individual requirements at Pioneer Square in terms of output power, voltage and stability. The utility’s design approval for these components will take about three to four weeks, and production and shipment of the components to TriMet will take another sixteen to eighteen weeks.

In addition, the Direct Current (DC) switchgear is designed and manufactured as a combined unit to meet the power distribution and safety requirements at Pioneer Square. The utility’s approval of the DC switchgear design will take about four months and the shipment to TriMet will take about eight months. All of these long-lead items meet TriMet’s Design Criteria to ensure commonality throughout TriMet’s systems.

The agreed-upon costs to procure the TPSS long-lead items are described below:

Requested long-lead item purchase	\$1,150,000
Spare Parts	\$200,000
Subtotal	\$1,350,000
Change Order Allowance Adjustment	\$115,000
Total Amount	\$1,465,000

TriMet seeks this Modification in order to procure these long-lead items prior to the start of

the construction work. After TriMet and MEC agree on a Total Contract Price, staff will present a future Resolution to the Board that will authorize a modification of the CM/GC contract to add the construction work.

7. Description of Procurement Process

The original contract was procured through a competitive Request for Proposals (RFP) process.

8. Diversity

MEC's total employee count is 1,609, and its workforce is 42.8% minority and 10% female. In its proposal, MEC indicated it would utilize COBID-certified small business contractors for approximately 20% of the work. Subcontracting areas include electrical, mechanical, fiber optics, telephones, structural, architectural, electrical testing, engineering studies, concrete, general commercial construction, and traffic control. TriMet staff will work with MEC to maximize certified small business subcontracting opportunities.

9. Financial/Budget Impact

The Modification amount is included in the Engineering and Construction division's FY2025 Budget.

10. Impact if Not Approved

If the Resolution is not approved, the long-lead items would need to be procured at a later date, which adds supply chain and pricing risk to the Project. Without the authority provided by this Resolution, equipment may need to be procured at a higher price to accommodate early delivery, or equipment may not be delivered in time for the construction to continue. This would add additional amounts to the overall cost of the Project.

RESOLUTION NO. 24-09-46

RESOLUTION NO. 24-09-46 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A MODIFICATION OF THE MASS. ELECTRIC CONSTRUCTION COMPANY CONTRACT FOR CONSTRUCTION MANAGER/GENERAL CONTRACTOR SERVICES FOR THE PIONEER COURTHOUSE SQUARE TYPE 1 TRACTION POWER SUBSTATION REPLACEMENT PROJECT

WHEREAS, TriMet has authority under ORS 267.200 to enter into a modification of the Mass. Electric Construction Company (MEC) contract (Modification) for Construction Manager/General Contractor (CM/GC) services for the Pioneer Courthouse Square Type 1 Traction Power Substation (TPSS) Replacement Project (Project); and

WHEREAS, by Resolution No. 22-05-35, dated May 25, 2022, the TriMet Board of Directors (Board) adopted a Statement of Policies requiring the Board to approve contracts obligating TriMet to pay in excess of \$1,000,000; and

WHEREAS, the total amount of this Modification exceeds the contract amount previously authorized by the Board;

NOW, THEREFORE, BE IT RESOLVED:

1. That the Modification shall conform with applicable law.
2. That the General Manager or his designee is authorized to execute the Modification with Mass. Electric Construction Company in order to proceed with the purchase of long-lead items in the amount of \$1,350,000.
3. That the General Manager or his designee is further authorized to execute Change Orders to the modified CM/GC contract in an amount not to exceed \$115,000 (8.52% of the Modification amount).

Dated: September 25, 2024


Presiding Officer

Attest:


Recording Secretary

Approved as to Legal Sufficiency:


Legal Department